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TAGS: PGOV SCUL PREL GR

SUBJECT: GOVERNMENT CAVES TO STUDENT PROTESTS, POSTPONES
PROPOSED UNIVERSITY REFORMS

REF: ATHENS 01507

This message is Sensitive but Unclassified, please handle
accordingly.

¶1. (SBU) SUMMARY: In the face of continuing, mass student protests and demonstrations, Education Minister Yiannakou announced on June 13 that she would postpone submitting the draft bill on education reforms during the summer parliament recess as originally planned (Ref A). Sources told us the Prime Minister ordered the retreat to prevent the throngs of summer tourists from witnessing destructive demonstrations in central Athens. Protests have lasted for over a month and gained momentum during the past week.

General feeling is that the postponement is a political defeat for the ruling New Democracy party, and the future of necessary university reforms - especially the acceptance of private, non-profit institutions, a key interest of ours -- is now uncertain. END SUMMARY.

¶2. (U) Greek Education Minister Marietta Yiannakou announced on June 13 that she would not submit the university reform bill to the summer parliament session as she originally pledged, but would defer until the plenary session beginning in October. In her announcement, Yiannakou characterized the delay as necessary in order to have additional dialogue with the university community "for as long as necessary to arrive at the broadest possible consensus." The postponement was a reversal of statements she made as late as June 12, in which she was determined to introduce the proposed reforms to Parliament. (The reforms had been discussed in principle for a year with the National Committee on Education, and Yiannakou has stressed that Greece should be harmonized with EU education directives by 2010, otherwise Greek university degrees run the risk of not being recognized within the EU.) Protests and ongoing university sit-ins continued even after the Minister's announcement, and on June 15 storefronts in central Athens were again smashed and firebombed by a small number of anarchists during an otherwise peaceable demonstration by several thousand students. The next student protest is planned for June 22.

¶3. (U) It is generally accepted that comprehensive reforms of Greek higher education are long overdue. Proposed changes would be two-dimensional, involving a) the deregulation of higher education to allow and recognize private, non-profit universities; and b) administrative changes in the operation of existing universities that would make them more manageable, efficient and quality based, but would conflict with many vested interests. The two reforms complement each other but the former requires a constitutional amendment (that would not be ratified until the next Parliament, if passed) while the latter, also known as "the education framework law," could be applied as soon

as it was passed by the current Parliament. Although parliamentary debate this summer would have inevitably involved discussion of the university deregulation issue, the actual vote would have been on "the education framework law." Demonstrators seemed to confuse the two, perhaps on purpose, linking the unpopular possibility of recognition of private, non-profit institutions to the question of internal reform within Greek universities.

¶4. (U) Press reports reflect this confusion of issues among protesters and generally characterize the postponement as a defeat for the GoG, and particularly for Minister Yiannakou who has gone on record strongly advocating education reform. Media also focus on how the decision caused tension within the government as several ministers, notably Defense Minister Meimarakis and Environment and Public Works Minister Souflis, did not agree with the postponement. Elite dailies *To Vima* (opposition) and *Kathimerini* (generally pro-GoG) also speculate that the GoG decided on postponement to avoid extreme student reaction of the kind that broke out in France a few months ago that could potentially disrupt Greece's tourist season.

¶5. (SBU) Close Ministry of Education contacts Professors Thanos Veremis, Head of the National Council on Education (protect), and Ted Couloumbis, Director of ELIAMEP (protect), Greece's foremost think tank, agree that press reports of the controversy are generally accurate and confirm that the decision was the Prime Minister's. Veremis expressed strong disappointment over the postponement, noting that the timeframe for real reform is now extremely vague and that the GoG has lost face, credibility and momentum. Couloumbis opined that the maneuver reflects the ruling New Democracy party's desire to maintain its edge over the opposition PASOK party, whose leadership first

expressed doubts about the current path of reform following the demonstrations. Couloumbis also said he believed the GoG's postponement was a petty political maneuver geared towards upcoming municipal and prefectoral elections.

¶6. (SBU) COMMENT: The government's postponement in the face of student protests is disappointing to us: a number of U.S.-based private, non-profit universities operating here would benefit from these reforms. While we are still hopeful that the constitutional amendment to allow private universities will pass by 2009, we are less confident of it. Many forward-looking, frustrated academics also tell us that without these reforms, the country's under-competitive universities will lag even further behind international standards. Despite Yiannakou's inability to forestall the protests or cool tensions once they started, her cabinet position does not seem to be in danger.